

ORDER

U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

3510.9

10/18/90

SUBJ: MANAGE TO BUDGET

1. PURPOSE. This order announces and provides the background for a test initiative in which authority to make position classification decisions and to manage full-time equivalent (FTE) levels within funding levels are delegated to line managers. The initiative is called "Manage to Budget" (MTB).

2. DISTRIBUTION. This order is distributed to the division level in the Offices of the Associate Administrators for Human Resource Management, Administration, and Airway Facilities, the Offices of Budget, Accounting, Personnel, and Management Systems, the NAS Transition and Implementation Service, and the Systems Maintenance Service; to the division level in the regional Human Resource Management, Budget, Management Systems, and Airway Facilities Divisions; and a limited distribution to all Airway Facilities field offices and facilities.

3. EFFECTIVE DATE. This order is effective October 1, 1990.

4. BACKGROUND. Manage to Budget is an initiative to reduce the controls on budget and personnel actions and thus bring about improvements in agency management. Order 3510.8A, Position Classification, and certain budget execution procedures for test organizations, will be revised if the test initiative becomes a permanent process.

5. DEFINITIONS. Manage to Budget is an initiative in which authority and accountability for (1) final position classification decisions on positions which are not nationally standardized and for (2) determining the FTE level required to accomplish the mission within the total dollars provided is delegated to line managers.

6. SCOPE. Manage to Budget is initiated to reduce administrative processes time, and to provide an effective, requirements-driven budget process.

a. In its basic form, MTB is simply delegation of authority to the lowest practical managerial level for position classification combined with the lifting of full-time equivalent (FTE) restrictions so that the number of positions established and filled within an organization is largely dependent upon the total dollars provided that organization. The initiative should reduce the administrative time needed to accomplish personnel actions by removing several staff levels of approval. Classification will be substantially faster because line managers, who already know the scope, complexity, and authority of their subordinate positions, will be able to apply the appropriate position classification standards quickly. The initiative should also make budget execution more requirements-driven by allowing line managers to determine the number of full-time equivalent positions required.

Distribution: A-W(HR/AF/AD/AA/BU/MS/PN/SM/NS)-2;
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Initiated By: APN-300

b. In a broader respect, MTB additionally provides the avenue for managers, as customers themselves, to obtain faster and more quality service from the staff organizations of personnel and budget, lifts administrative controls to give line managers greater flexibility to manage and motivate employees, and frees line managers to tie together decisions on the two most prominent organizational resources: people and funds.

7. APPLICABILITY.

a. MTB applies only to officially recognized test organizations and only to the Operations Appropriation for those organizations.

b. Initially, the test organizations are the:

- (1) Office of the Associate Administrator for Airway Facilities.
- (2) NAS Transition and Implementation Service.
- (3) Systems Maintenance Service.
- (4) Office of Management Systems.
- (5) Office of the Regional Administrator in the Southwest Region and all organizational elements reporting directly to the Regional Administrator.
- (6) Airway Facilities Division in the Southwest Region.
- (7) Airway Facilities Field Offices in the Southwest Region.

c. Facilities and Equipment (F&E) Appropriation are specifically excluded from this test. Existing FTE and position controls on the F&E Appropriation will continue. However, F&E funded positions may still be classified under the initiative.

8. RESPONSIBILITIES.

a. Position classification and budget execution authority with no full-time equivalent (FTE) ceilings are delegated to:

- (1) The Associate Administrator for Airway Facilities.
- (2) The Regional Administrator, Southwest Region.
- (3) The Director of Management Systems.

b. These managers are responsible for redelegating this authority to appropriate levels of subordinate line managers in the test organizations identified in paragraph 7b. However, the redelegation may not be made below the following levels:

- (1) In Washington headquarters Airway Facilities offices and services, not below the division manager level.

(2) In Airway Facilities Division in the Southwest Region, not below the sector manager level in the field and not below the branch manager level in the regional office.

(3) In the Southwest Regional offices which report directly to the Regional Administrator, not below the division manager level.

(4) In the Office of Management Systems, not below the division manager level.

9. PROGRAM EVALUATION.

a. Evaluation of the MTB test initiative will serve as the basis for decision on the success of the program, areas which need improvement or revision in the program, and whether to expand and extend the test, cancel the program, or permanently implement the initiative in all FAA organizations. Both test organizations and third party organizations will participate in the evaluation.

b. Data will be gathered and assessed on a monthly and quarterly basis. The formal evaluation will be conducted during the third and fourth quarters of the fiscal year.

10. DOCUMENTATION. This order will be revised by issuance of a forthcoming, fully documented order containing detailed policy, responsibilities and delegations of authority.



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for Human Resource Management

